FOUR YEAR STRATEGIC PLAN

FISCAL YEAR 2012 – FISCAL YEAR 2015

THANK YOU

Pat Mullenbach   (Core)
Karen Kienast   (Human Resources)
Mark Johnson   (Core)
Caleb Hunter   (Utility Player)
Tim Ryburn   (General Services)
Paul Carlson   (General Services)
Lorrie Tritch   (Information Technology)
Jeff Panknen   (Human Resources)
Calvin McKelvogue   (State Accounting)
Doug Woodley   (General Services)

MISSION AND VISION

Mission Statement:

Providing Iowans unified, comprehensive, value driven administrative services.

Vision Statement:

The Department of Administrative Services provides comprehensive leadership and management for support of governmental operations. The Department will enhance overall operational and cost efficiency by providing progressive and measurable business value.

GOVERNOR BRANSTAD'S GOALS

- Create 200,000 new jobs

- Increase incomes in the state by 25%

- Decrease the cost of government by 15%

- Make Iowa number one in education

DAS's CONTRIBUTION

(Highest Impact)

- **Decrease the cost of government by 15%**

    – **Consolidation of State services**

    – **Review and improvement of health insurance benefits for state employees**

    – **Comprehensive review of services**

    – **Improved labor relations, negotiations, and contracts**

    – **Re-structuring of the DAS organization for efficiency and value**

    – **Minimization of the general fund appropriation for DAS**

STRATEGIC INITIATIVES

- **Consolidation of State Services**
  (March 1, 2011 – January 1, 2013)

- **Health Insurance Review and Improvement**
  (March 1, 2011 – December 31, 2011)

- **Comprehensive Review of Services**
  (March 1, 2011 – January 1, 2012)

- **Improve Labor Relations and Negotiations**
  (February 1, 2011 – Ongoing)

- **Re-structuring of DAS Organization for Efficiency and Value**
  (February 1, 2011 – June 30, 2012)

- **Minimize Appropriation Need from General Fund for DAS**
  (May 1, 2011 – June 30, 2012)

DAS STRATEGIC GOAL

Goal:

To increase the efficiency and value of the Department of Administrative Services by controlling costs and assisting state government in reducing expenditures by a targeted minimum of 15%.

IMPLEMENTATION

Essential to the achievement of the goal for this strategic plan will be a:

long term commitment from the Governor's administration

and

genuine ownership of the implementation and outcomes of the plan by DAS management and staff.

IT Redesign
Overview for Implementation
Agency Director Meeting

- Prepared by:
- Department of Administrative Services
- October 10, 1011

Why IT is Decentralized
We Understand

- Customer Focus
  - Agencies may feel that any centralized organization is out of touch with their "missions."

- Strategic Alignment
  - Perception that a close business and physical work location with their internal IT group will better understand agency strategies and priorities.

- Business Unit Autonomy
  - Apprehension about "losing control."
  - Funding streams – federal government regulations
  - Managing costs and expectations

Centralized organizations must effectively address these issues
to overcome the apprehension caused by any type of consolidation.

Why We Even Talk About This

- Interconnectivity
  - Strengthen and secure statewide network connectivity
  - Ease in sharing information across agency lines
- Transparency – shared access to government data as appropriate
- Security – safeguards, data protection, threats
- Create new opportunities to connect with a more social customer
- Implement solutions to dramatically reduce the ever increasing staff workloads
- Faster delivery of services to customers
- Reduce overall costs for government
- Be an increasing part of business value delivery
  - No organization is exempt from these challenges
  - Continued emphasis on change and the emergence of technology solutions which reflect this new period and culture

KEY:
- Top 3-5 CIO Priority
- No response, but consolidating
- Federated

NASCIO Survey 2010-2011
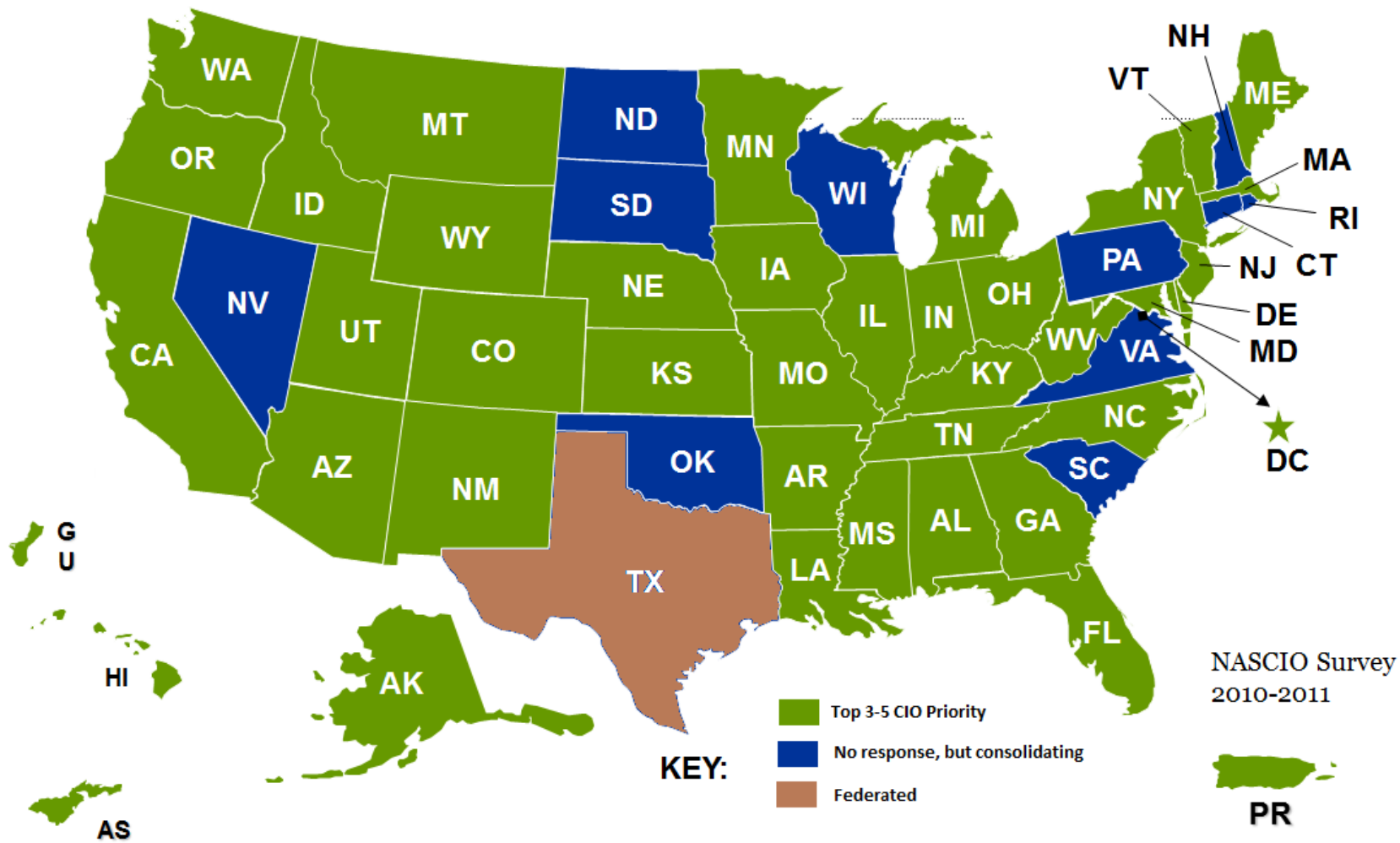
$ Specifics From Across the Country

- ✓ Missouri saved $3m in new PC purchases (NASCIO 2007)
- ✓ Texas saved $41m in IT contract renegotiations (NASCIO 2006)
- ✓ Indiana saved $15m in IT contract renegotiations (NASCIO 2005)
- ✓ Michigan saved $9.5m First Yr./ ROI 5 Yrs. $19.1m in data center consolidations (NASCIO 2007)
- ✓ Michigan saved $2.9m from email (NASCIO 2007)
- ✓ Tennessee saved $775,000 annually from hardware & personnel (NASCIO 2007)
- ✓ West Virginia decreased IT staffing by 15.06% (NASCIO 2009)
- ✓ Kentucky decreased IT staffing 15% (NASCIO 2007)
- ✓ Alabama saved $3m from email consolidations (NASCIO-2008)
- ✓ Missouri saved $2m from email consolidations (NASCIO -2008)
- ✓ Colorado reduced annual IT expenditures by $250m (State website – IT Report)
- ✓ Delaware has a target of 10% savings = $20m (State website)
- ✓ Indiana has a target of 19% reduction target (State website)

This is just a sampling!

PLAN, PLAN, PLAN

Past

January 2010 – September 2010

Planning Teams

Implementation Recommendations

E-Mail -- Networks -- Help Desks -- Desktops -- Print Services

Current

March 2010 – current

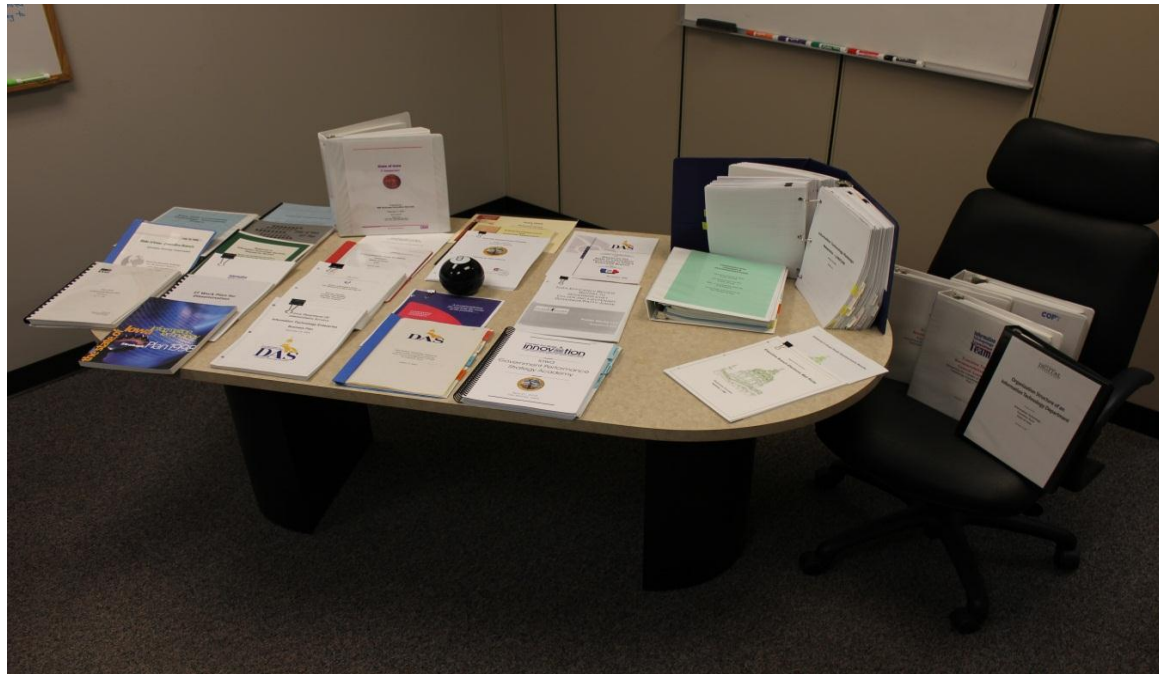Consolidation by IT Service Type

Consolidation by Agency

Future

Going Forward

Consolidation by Agency

We Have Studied This
Outlook for Change is Good
1995 - Current

Discovery Phase
One of Many Inventory Baselines

	# of servers	Off the Capitol Complex	On the Capitol Complex (March 2009)	Located in the Central Data Center (Aug 2011)	State IT FTE's (Dec 2010)	State IT Spend (estimate)
Executive Branch	1,988	1,144	844	623	779 IT class 85 IT related in non-IT class	$100,566, 403 IT Expenditures (FY'11) $90,000,000 Personnel (estimate)
Totals	1,988	1,144	844	623	864	$190,566,403

Source: State survey results March 2009

E-Mail Migrations
Remaining Agency E-Mail Counts
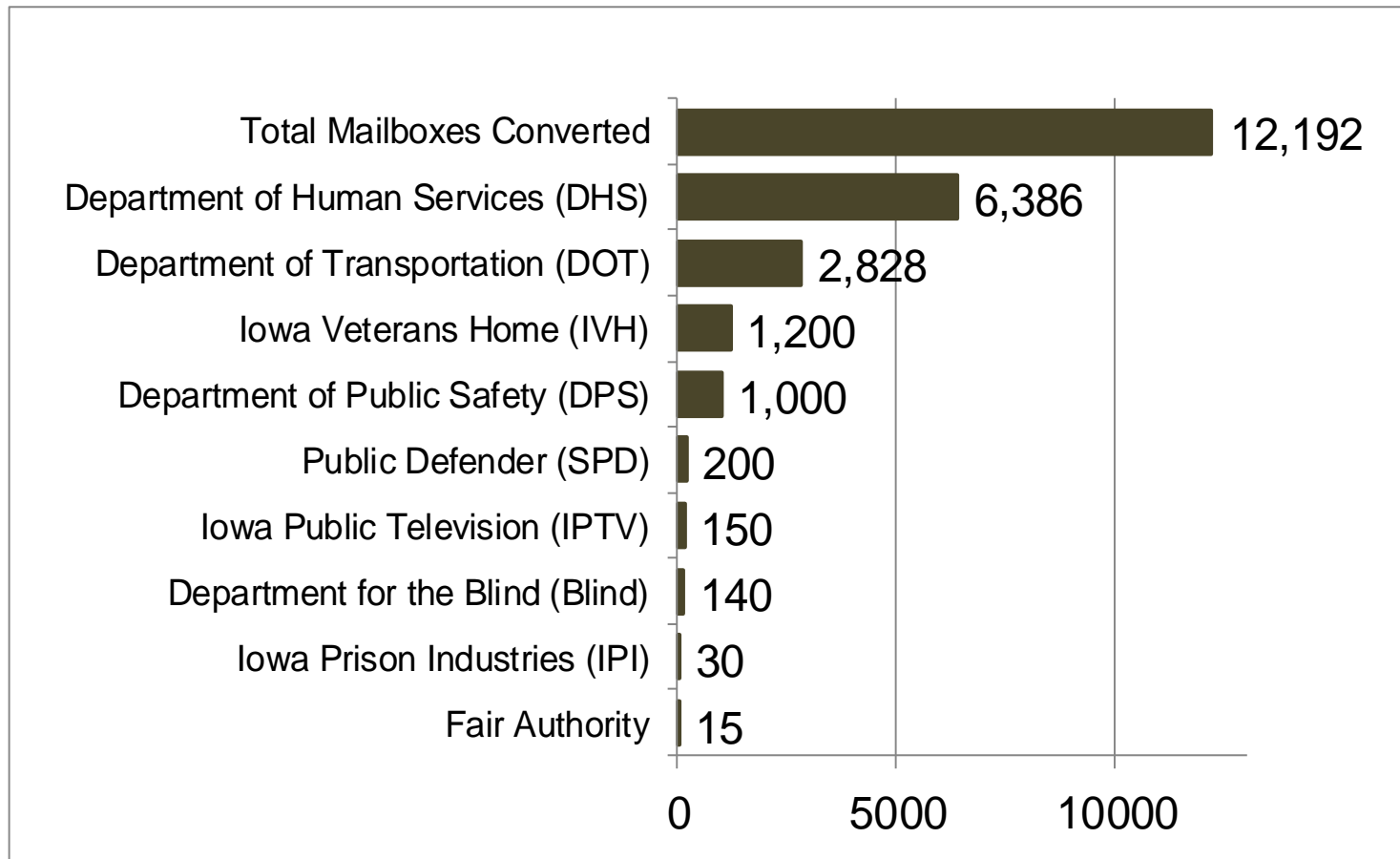
Agency Servers in DAS Data Centers

Centralized
Aging
Commerce – Banking
Commerce – Utility Board
Cultural Affairs
DAS – I/3
Economic Development Authority
Governor's Office
Human Rights
Human Services
Inspections & Appeals
Iowa College Student Aid Commission
Iowa Finance Authority
Management
Natural Resources
Public Health Nursing Board
Public Health Pharmacy Board
Public Health Dental Board
Revenue
Treasurer of State

Partial or Some Servers
Community Colleges
Education
IPERS
Judicial
Secretary of State

Server Migrations in Process

Infrastructure Servers Consolidated		
Agency Name	Total Servers	# Decommissioned To Date
Economic Development	3	1
Inspections & Appeals	16	0
Division of Credit Unions	8	2
Cultural Affairs	5	5
Totals	42	8

223 Server Locations

Infrastructure Servers Consolidated			
Type of Space	# of Facilities	Complex & Surrounding Area	Other than Des Moines
Data Centers	12	8	4
Server Farms	15	9	6
Wiring Closets	196	30	166
Totals	223	47	176

Example of Best Practices
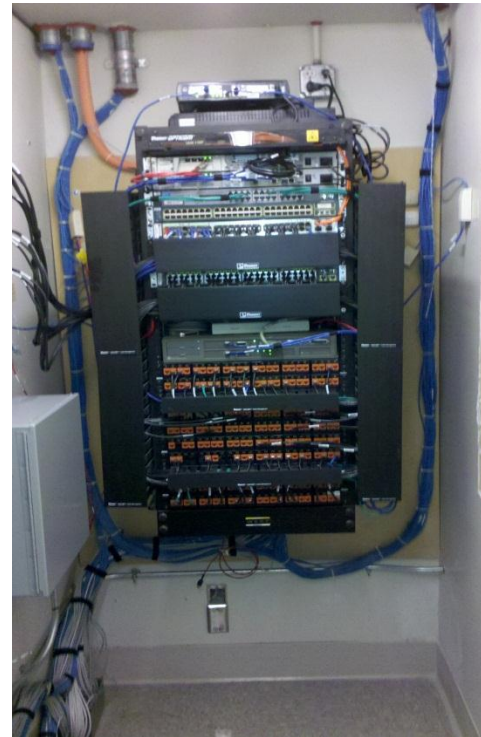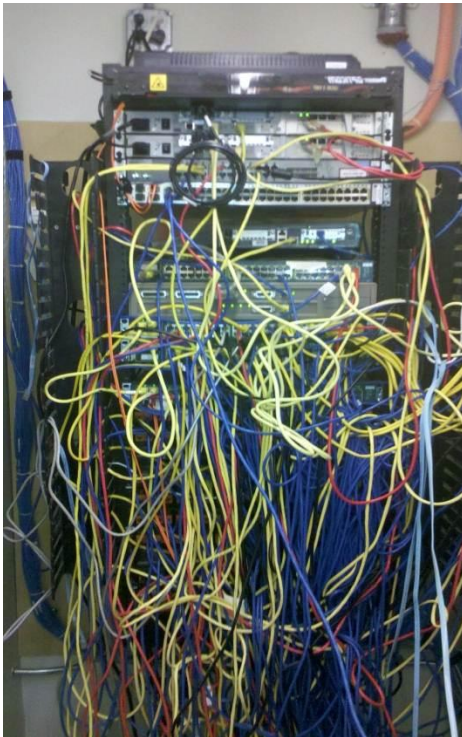
Familiar with Federal Audit Requirements

FISMA – Federal Information Security Management Act

FERPA – Family Education Rights and Privacy Act

HIPPA – Health Insurance Portability and Accountability Act

IRS – Internal Revenue Service

SSA – Social Security Administration

New for DAS-ITE:
Federal CJIS – Criminal Juvenile Justice System

Gaining Further Efficiencies

- Data Security
  - Endpoint security protection (anti-virus)
    - Currently Centralized: 1500 endpoints for 17 agencies with .5 FTE
    - Agencies: 18 agencies manage their own, 6 different products, up to 18 persons
  - Security tools to monitor networks (decentralized)
    - Web application scanning
    - Network vulnerability scanning
    - Data leakage scanning
    - Mobile device management
    - Web usage monitoring
    - Event log management
    - Access management controls
    - Intrusion detection systems

And There is More Before Us

- Over 1000 Cisco network devices reported by 38 agencies
- Approximately 2000 servers reported by 38 agencies including:
    - 7 IBM WebSphere Application Server systems
    - 9 Microsoft Exchange e-mail systems (down from 23 in 2009)
    - 20 Microsoft Active Directory forests
    - 35 Backup systems
    - 38 storage systems
    - 4 Antivirus products across multiple agency installations
    - Over 25 Microsoft SQL database systems licensed
    - 5 Microsoft SharePoint systems licensed
    - 5 virtual server platforms
    - 6,000+ printers

More . . . .

- Enterprise Applications – <u>build once and use often!</u>
  - Licensing systems
  - Web portals
    - Accessing government services
    - Doing business with the state
  - Grant management systems
  - GIS (geographic information systems)

- Enterprise Mobile Strategy
  - Shared Framework and Tools
  - Common State of Iowa App Store
  - Apple App Store Account

State of Iowa IT Spend – FY'11

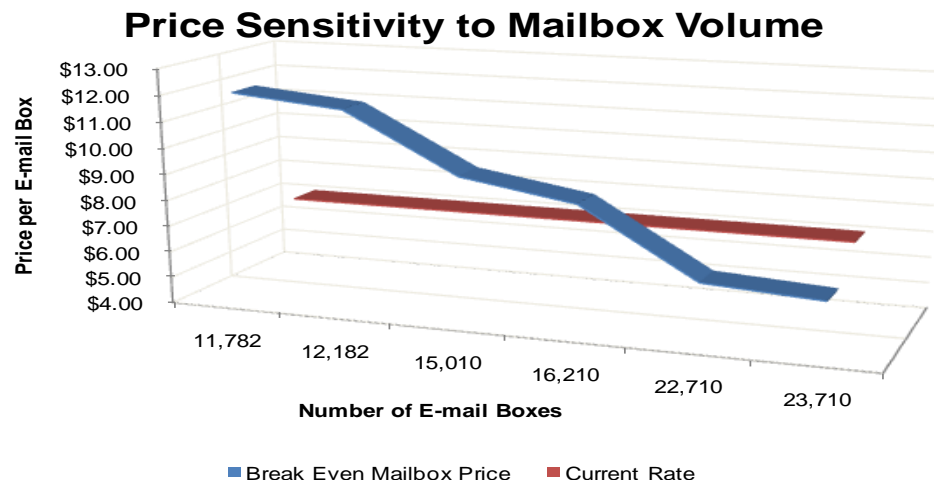| Department FY 11 IT Expenditures and Encumbrances	Totals	Department FY 11 IT Expenditures and Encumbrances	Totals
Administrative Services, Dept	$24,679,541.16	Dept For The Blind	$197,569.40
Human Services	$19,015,037.54	Iowa Department on Aging	$156,030.04
Transportation, Dept Of	$14,385,408.91	Racing Commission/Insp&Appeals	$134,361.76
Workforce Development	$11,577,444.78	Cultural Affairs, Dept Of	$130,693.57
Revenue	$6,637,632.86	Utilities	$118,285.24
Public Safety, Dept Of	$3,665,615.74	Governor	$115,489.68
Education	$3,484,464.45	Veterans Affairs	$112,872.29
Corrections	$3,037,294.03	Office of Energy Independence	$90,162.58
Public Health, Dept Of	$2,885,988.43	Gov Off.Of Drug Ctrl Policy	$80,527.82
Iowa Communications Network	$2,667,742.41	Civil Rights Commission	$71,915.40
Human Rights, Dept Of	$1,844,530.38	Professional Licensing/Reg	$53,098.36
Natural Resources, Dept Of	$1,536,628.67	Ethic & Campaign Disclosure	$34,451.43
Economic Development, Dept Of	$892,573.48	Parole Board	$33,628.08
Iowa Veterans Home	$787,259.60	Law Enforcement Academy	$27,989.47
Inspections & Appeals, Dept Of	$534,391.74	Consumer Advocate	$25,111.43
State Public Defender/DIA	$460,545.23	Civil Commitment Unit for Sexual Offenders	$21,505.23
Management, Dept Of	$301,014.52	AG- Development Authority	$20,018.61
College Aid	$267,479.59	Rebuild Iowa Office	$17,201.70
Public Defense, Dept Of	$245,587.16	Iowa Veterans Home Capitals	$9,411.23
Banking	$201,048.71	Public Employment Relations	$8,850.64
		Grand Total	$100,566,403.35

Costs --- Pricing

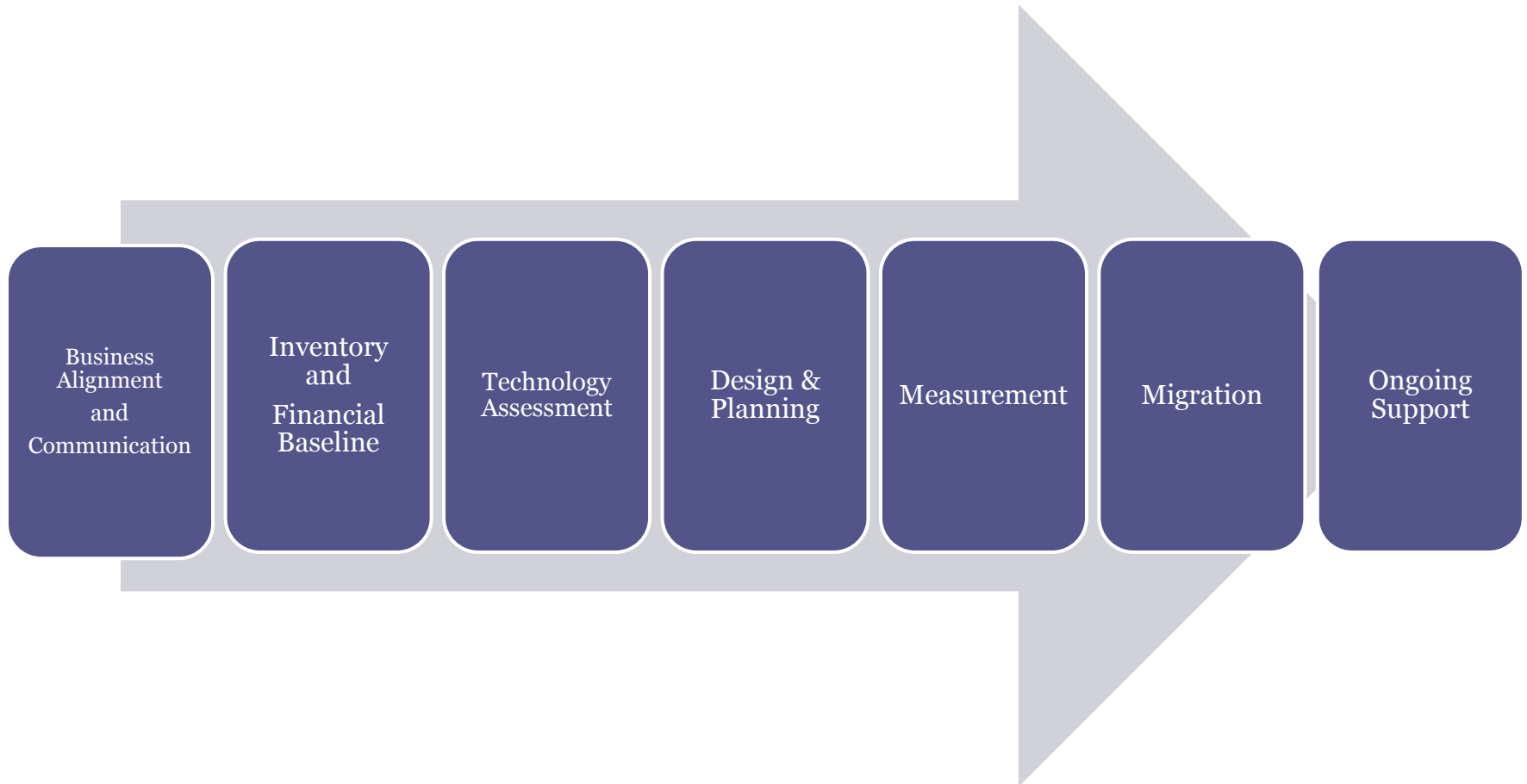- Economics of Scale - <u>Spend the limited $ wisely</u>
  - Costs are less when you buy and provision IT volume
  - Consolidate and provision more IT functions/elements on <u>fewer systems</u>
  - Technology standardization, service enhancements, operational innovation and increasing demand allow DAS to reduce enterprise rates charged to client agencies. The illustration below shows a leading example of this trend through ongoing email consolidation efforts.

Price Sensitivity to Mailbox Volume

Price per E-mail Box axis: $4.00 – $13.00

Number of E-mail Boxes: 11,782 12,182 15,010 16,210 22,710 23,710

■ Break Even Mailbox Price   ■ Current Rate

Leadership Sponsorship

- Direction and implementation oversight
- Technical Architecture plan sponsorship
- Standards – Security and Operational Standards review and approvals
- Service provisioning plan reviews
- Financial/Funding guidance with Fed's and State Agencies
- Procurement guidance
- Human Resource Management, including Management and Labor Relations
- Agency specific implementation plan approvals

The IT Project Level Implementation Process in Working with Agencies

Business Alignment and Communication

Inventory and Financial Baseline

Technology Assessment

Design & Planning

Measurement

Migration

Ongoing Support

Summary: Results of IT Service Centralization

Goal: Effectively manage and leverage technology investments for the State of Iowa to capitalize on IT best practices, purchasing, contracting, service provisioning and business processes in meeting State agencies missions.

- Data Security – Expanded capabilities
    - Integrated disaster recovery to meet agencies and state-wide business needs and priorities
    - Consistency with state-wide policies and processes to secure and protect assets and sensitive information to support data privacy and information security
    - Cyber security management and state-wide oversight with fewer points of entry
    - Greater opportunities for interconnectivity - share data seamlessly across departmental lines where necessary

Summary: Results of IT Service Centralization

- Efficiencies
  - Remove network and server architecture complexities
  - Data Sharing
  - Enterprise Applications – remove duplication
  - Efficient use of expensive data center space
    - "Green" efficiencies with reduced power generation and carbon emissions
- Leverage IT personnel resources
  - Increased technical expertise and cross training – decreased training costs as a result of IT solution standardization
  - Realignment of IT workload to address succession planning issues facing our aged IT workforce

Summary: Results of IT Service Centralization (cont.)

- Reduced IT expenditures = cost savings
    - Minimize hardware and software duplications
    - Leverage volume purchasing
    - Fewer hardware and software maintenance agreements
    - Enhance efficiencies by controlling costs in removing underutilized equipment or increase usage

Results: Increased data security, service delivery improvements, optimize IT resources and reduce costs

Director Cownie

WHERE DO WE GO FROM HERE?

✓ Continue to make IT an integral part of Agency Strategic Business Planning

✓ Re-Alignment with State strategy to improve efficiency, productivity, and service across the Executive Branch.

✓ Collaborate on shared goals

✓ Achieve a minimum of 15% cost savings

✓ Make it happen

Questions?